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EB/CBA for DENNIS WINSTEAD and TIMOTHY GILMON

E.O. 12958: N/A
TAGS: [BEXP](#) [ECON](#) [EFIC](#) [ETRD](#) [CE](#) [MV](#)
SUBJECT: BFIF FY10 PROPOSAL FOR MALDIVES

REF: 09 STATE 126674

¶1. Post greatly appreciates continued BFIF support for commercial activities in Sri Lanka and Maldives and proposes BFIF funding for a U.S. Trade Fair in Maldives for FY10. The points below are keyed to reftel request for information.

(A) Justification

¶2. The U.S. Trade Fair ("American Pavilion") in the Maldives is the most successful, well-known and established contributor in developing and expanding U.S. commercial links with the Maldives. The trade fair has proved a very effective tool in introducing U.S. products and services to the Maldives and developing mutually beneficial commercial partnerships between U.S. and Maldivian companies. The U.S. trade fair is an important component of the U.S. economic and commercial strategy to expand bilateral commercial links with this pro-western, 100% Islamic country. Since its commencement in 1999 as a catalog show, the American Pavilion has become a main feature of the country's premier trade show.

¶3. The U.S. Pavilion occupies the most visible and premier location on the floor, providing maximum outreach to U.S. exhibitors. The diverse U.S. products and technology displayed in attractive stalls draw a large number of potential trade partners and visitors. The Ambassador's and Charge's active participation at the 2008 and 2009 events demonstrates the importance of this event in Post's overall economic strategy in Maldives.

¶4. The U.S. trade show has achieved several noteworthy results with respect to sales contracts; establishment of a pilot wind power project utilizing U.S. technology; considerable increases in U.S. agriculture exports such as apples, oranges, packaged foods and eggs; constructive trade leads for a power generation company; considerable sales and continuing orders for a manufacturer of canopies and awnings using U.S. fabric; and numerous other sales opportunities and serious leads for U.S. companies and their representatives.

¶5. U.S. exhibitors that have consistently participated in the pavilion for a number of years have achieved encouraging results. Prominent U.S. corporations including Cummins, Caterpillar, HP, IBM, Bell, and Cessna were among the U.S. exhibitors in 2009. The show generated useful leads for participant companies, especially in the energy, food and beverage, and tourism sectors. The Maldives presents opportunities for a range of products and technology, with sustainable energy, tourism and leisure, information technology, communications, electronics, and construction products offering good prospects. Services and consulting in areas such as finance and economic management (where local expertise is lacking) also provide opportunities. Education is another key area for U.S. educational institutes. Resort development is a highly investment-intensive area and an opportunity for U.S. firms to offer construction, equipment and technology. Although a comparatively small market, the Maldives is beneficial for companies willing to commit resources

to securing commercial success.

(B) Planning Milestones:

¶6. The show will be held in July 2010 and will be held in the main conference center in Male'. Promotional strategy, logistics and related issues will be coordinated with exhibitors, the Maldives Chamber of Commerce and Industry, Post's General Service Office, Post's Public Diplomacy Office and the exhibition organizer.

(C) Estimated Costs

¶7. Estimated costs for this program are \$20,000. Post will also solicit funds from other USG agencies to fund components of the trade show related to those respective agencies.

(D) Post Points of Contact

¶8. Ken Kero-Mentz, Economic Officer, and Adrian Mendis, Commercial Specialist. Tel: 94-11-2498500, Fax: 94-11-2437345, Email: KEROKA@STATE.GOV, MENDISA@STATE.GOV.

(E) Anticipated Outcomes and Follow up:

¶9. Participation in this trade show assists Post to: sustain and advance growth in U.S. exports to Maldives; expand visibility of U.S. products and technology and establish the U.S. as a preferred supplier; establish the U.S. government's seriousness of expanding commercial ties with the Maldives; form partnerships and sales

contracts between U.S. companies and Maldivian firms; reinforce the 'Made in USA' brand in all sectors, with emphasis on food and beverage, technology and equipment for infrastructure projects; and identify large scale projects for U.S. companies in areas such as construction, resorts, energy, food and beverage, defense and other relevant sectors. Successful project outcome criteria are based on new leads generated for exhibitors, number of visitors attending show, and number of contracts and sales concluded with Maldivian companies and government agencies.

¶10. Follow up after the trade fair includes contacting exhibitors and assisting in facilitating discussions and negotiations with potential clients, pursuing trade leads, and working with government agencies on large scale projects with potential for U.S. commercial contribution. We will also identify suppliers for specific requests received by American Pavilion visitors in coordination with USDA and FCS. Post's efforts are evident in U.S. Department of Commerce trade data. In 2008, U.S. exports to Maldives demonstrated a 5% increase above 2007. This BFIF activity is a proven generator of additional U.S. exports.

¶11. Post requests confirmation of funding earliest and if possible by the end of January 2010 to secure exhibition space for the American Pavilion. There is heavy demand for the trade show and Post should quickly confirm participation.

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